

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

December 8, 2003
8:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Degginger, and Councilmembers Creighton, Davidson, Lee, Mosher and Noble

ABSENT: None.

1. Call to Order

The meeting was called to order at 8:05 p.m. by Mayor Marshall, who presided.

2. Roll Call, Flag Salute

Upon roll call by the City Clerk, all Councilmembers were present. Mr. Noble led the flag salute.

(a) Recognition for Councilmember Chuck Mosher

Mayor Marshall noted Councilmember Mosher's retirement from the Council and praised his extensive involvement in regional forums on behalf of Bellevue citizens. Mr. Mosher has been involved in salmon recovery, watershed management, pipeline safety, benefits administration, and transportation. He also serves on statewide and national policy forums. Mayor Marshall read a commendation highlighting Councilmember Mosher's accomplishments and contributions in public service. As Mayor in 2000 and 2001, Mr. Mosher led the City's effort to protect its citizens from gas pipeline disasters and was selected by the Governor as the first Chair of the Washington State Citizens Committee on Pipeline Safety.

Dr. Davidson praised Mr. Mosher's sensitivity, sense of humor, and dedication to local, state, and national issues.

Mr. Creighton commended Mr. Mosher's extensive time commitment to public service, his leadership on fish and water issues, land use knowledge, and good humor.

Mr. Noble recalled that he met Mr. Mosher approximately 12 years ago when he was serving on the Planning Commission and Mr. Noble was on the Transportation Commission. Mr. Noble will miss Mr. Mosher's judgment on the Council and his commitment to serving citizens.

Mr. Lee said he has known Mr. Mosher for many years as they raised their children in the same neighborhood and became involved in local policy issues. Mr. Lee described Mr. Mosher as helpful, encouraging, capable, and skilled at building consensus around issues.

Deputy Mayor Degginger met Mr. Mosher in November 1991 when he joined the Planning Commission. He praised Mr. Mosher's wit, collegiality, fairness, and ability to get things done. Mr. Degginger recognized Mr. Mosher as a founding father of Cascade Water Alliance and commended his involvement in pipeline safety issues and on the Sound Transit Board. He thanked Betty Mosher for her support of Mr. Mosher's public service.

The following citizens came forward to recognize Mr. Mosher:

- (1) Seattle Mayor Greg Nickels thanked Mr. Mosher for his service to Bellevue and the region. He recalled meeting with Mayor Mosher in 2001 and the constructive discussion of issues and priorities. Mayor Nickels thanked Mr. Creighton for his public service and contributions to building a strong community.
- (2) Doug Eglington read a proclamation from King County Executive Ron Sims recognizing Mr. Mosher's dedication, integrity, professionalism, innovation, advocacy for salmon recovery and environmental protection, and leadership in regional and state forums.
- (3) Deputy Mayor Degginger read a letter from Seattle City Council President Peter Steinbrueck to Mr. Mosher. The letter expressed appreciation for Mr. Mosher's contributions to the region including his work with Sound Transit, the Association of Washington Cities (AWC), and on behalf of environmental and energy issues. He praised Mr. Mosher's willingness to tackle tough issues as exemplified in his role as Chair of the Washington State Citizens Committee on Pipeline Safety.
- (4) John Chelminiak, newly elected Councilmember, thanked Mr. Mosher for his years of service to the community and his encouragement to Mr. Chelminiak to pursue a seat on the Council.
- (5) Kurt Springman said he enjoyed serving on the Council with Mr. Creighton and Mr. Mosher and wished them well in retirement.
- (6) Arlene Darby praised Mr. Mosher's spirit and heart for adventure, exceptional ability, and positive contributions to the region.
- (7) Deputy Mayor Bryan Cairns, Mercer Island, thanked Mr. Mosher for his public service and cooperation with the City of Mercer Island.

- (8) Ron Smith, former Mayor and Councilmember, congratulated Mr. Mosher's accomplishments and thanked him for his public service. He noted Mr. Mosher's keen ability to dissect and analyze issues carefully and thoughtfully.
- (9) Leslie Lloyd, Bellevue Downtown Association, thanked Mr. Mosher for his extensive commitment of time to the community and region.
- (10) Newcastle Councilmember Sonny Putter thanked Mr. Mosher for his collaborative efforts to make the region and its cities better for its citizens.
- (11) Mercer Island Councilmember Jim Pearman recalled working with Mr. Mosher in association with the East King County Convention and Visitors Bureau and Bellevue Sister Cities Association. Mr. Pearman said Mr. Mosher inspired him in part to get involved in public service.
- (12) Ken Schiring, Planning Commission Chair, concurred with all the praises expressed this evening and thanked Mr. Mosher for his public service.

Councilmember Mosher attributed his enjoyment of public service to the support of his family and his friends at Newport Covenant Church. He noted the accomplishments of City Council and the City's management/staff team over the years as well as the valuable contributions of Bellevue citizens. Mr. Mosher thanked his fellow Councilmembers for their commitment and hard work in finding positive solutions to problems.

Mayor Marshall thanked everyone for attending.

(b) Swearing in of Councilmembers-Elect

Mayor Marshall introduced the swearing in of re-elected Councilmembers Grant Degginger and Phil Noble and newly elected Councilmembers Claudia Balducci and John Chelminiak. King County Superior Court Judge Brian Gain officiated for the swearing in ceremony.

Mayor Marshall declared a brief recess to allow an opportunity for photographs. The meeting was called back to order at 8:55 p.m.

(c) Recognition of Bellevue Sister City Association Delegation Trip Facilitators

Mayor Marshall explained that she and Councilmembers Lee and Mosher recently accompanied a Bellevue Sister Cities Association delegation on cultural exchange visits to Hualien, Taiwan, and Yao, Japan, two of Bellevue's Sister Cities. Mrs. Marshall presented certificates of appreciation to Hugh Burleson, Kim Gwo, Heidi Sun, and Rose Running for their planning and organizing associated with the trip.

3. Communications: Written and Oral

- (a) Steve Szablya expressed concern about three power outages this year and encouraged the City to focus on policies that ensure reliability. He described the undergrounding of Puget Sound Energy power lines along a portion of Kamber Road, although overhead transmission lines were left in place. He suggested approximately 10 miles of power lines could have been placed underground in other areas for the same amount of money. He suggested the creation of a Citizens Advisory Committee to formulate future budget recommendations.
- (b) Den Kerlee, representing Killarney Circle Homeowners Association, expressed a number of concerns regarding T-Mobile's permit application to erect a 62-foot cell phone tower along 104th Place SE. He submitted comments in writing as well.
- (c) Cathy Ford, representing Killarney Circle Homeowners Association, submitted comments in writing and reviewed concerns regarding T-Mobile's permit application to erect a 62-foot cell phone tower along 104th Place SE. She requested a extension of the comment period beyond the December 18th deadline.
- (d) Ron Smith discussed residents' concerns regarding T-Mobile's permit application to erect a 62-foot cell phone tower along 104th Place SE.
- (e) Lori Taylor described a proposal to create a seasonal Bellevue Farmers Market on Thursday afternoons in the parking lot of Bellevue First Presbyterian Church.
- (f) Scott Schwalbach spoke in reference to Agenda Item 8(g), the purchase of property at 100 155th Avenue SE, and described the gallons of City water that end up in his backyard. He has not been able to get anyone from the City to come out and talk to him about the situation and noted that a story about the house and water was featured on KOMO news. He said the City has been studying the flooding problem since 1996. A public records request regarding his address produced 73 documents including 23 maintenance reports but no engineering report.

Mayor Marshall asked the City Manager to look into the last speaker's complaint.

4. Reports of Community Councils, Boards and Commissions: None.

5. Report of the City Manager

City Manager Steve Sarkozy said he and staff members have enjoyed a positive working relationship with Councilmember Mosher.

Mr. Sarkozy noted the memo in Council's desk packet summarizing the City's response to the recent windstorm. Bellevue's communications center, which serves 680,000 people in east and north King County, dispatched 468 fire and emergency medical calls and 241 police calls during the 72-hour period.

In reference to a speaker during Oral Communications, Mr. Sarkozy noted Council's recent approval of the utility franchise agreement with Puget Sound Energy which includes performance measures to ensure reliability.

Mr. Sarkozy highlighted the following accomplishments by staff this year:

- Transportation Department – Access Downtown, Richards Road, and 156th Avenue/Crossroads projects.
- Utilities Department – New solid waste contract with more services for less money.
- Planning and Community Development – Development Services Improvements (DSI) initiative and West Lake Hills Neighborhood Investment Strategy (NIS).
- Citywide – New City Building redevelopment project.
- Fire Department – One of only seven fire departments in the country to be re-accredited by applicable national accreditation agency.
- Parks and Community Services – Acquisition of park properties and open space.
- Information Technology Department – Projects in Neighborhoods feature on City's web site, EastsideProperty.biz, and Spanish-language section of web site.
- Police Department – 10-year trend of decline in property and violent crimes and forums with Latino residents.
- Citywide – Outreach to the Latino community through Spanish-language publications and information services.

6. Council Business

Mr. Noble participated in a special meeting of the Regional Policy Committee to discuss solid waste proposals under consideration by the King County Council.

Mayor Marshall explained the need to select a temporary Council Chair for the January 5, 2004, meeting, in which a Mayor will be selected by the Council.

- ➡ Mr. Lee moved to designate Mrs. Marshall as Temporary Chair for the January 5, 2004, meeting, and Mr. Mosher seconded the motion.
- ➡ The motion to designate Mrs. Marshall as Temporary Chair for the January 5, 2004, meeting carried by a vote of 7-0.

7. Approval of the Agenda

- ➡ Deputy Mayor Degginger moved to approve the agenda, and Mr. Lee seconded the motion.
- ➡ The motion to approve the agenda carried by a vote of 7-0.

8. Consent Calendar

- Deputy Mayor Degginger moved to approve the Consent Calendar, with the exception of Item 8(i), and Mr. Creighton seconded the motion.

Responding to Mr. Lee, Mr. Sarkozy said he will investigate the matter discussed during Oral Communications in reference to Agenda Item 8(g) and report back to Council by Friday.

- The motion to approve the Consent Calendar, as amended, carried by a vote of 7-0, and the following items were approved:
 - (a) Minutes of November 24, 2003 Extended Study Session
Minutes of December 1, 2003 Study Session
Minutes of December 1, 2003 Regular Session
 - (b) Resolution No. 6940 adopting the City of Bellevue State Legislative Agenda and State Legislative Policy Statement for the 2004 legislative session. *(Discussed with Council on November 17, 2003.)*
 - (c) Resolution No. 6941 authorizing execution of an agreement with Class Software Solution, LTD, for the purchase, implementation, and maintenance of a point of sale cashiering system which will be installed and integrated with the new JD Edwards software as part of the Finance and Human Resources System Replacement Project. *(Discussed with Council during June 23, 2003 Extended Study Session and January 21, March 3, and June 2, 2003 Study Sessions.)*
 - (d) Motion to award Bid No. 0351 for the purchase of one truck-mounted high-velocity pipe cleaning machine to Enviro-Clean Equipment, Inc. as low bidder in the amount of \$117,828.
 - (e) Motion to award Bid No. 0353 for the SE 5th Street Storm Improvements to Earthwork Enterprises, Inc. as low bidder in the amount of \$62,603.52. (CIP Plan No. W-85, component of the Meydenbauer Water Reservoir replacement project)
 - (f) Resolution No. 6942 authorizing extensions to the Solid Waste, Recyclables, and Yard Waste Collection Agreement and the Multifamily Recyclables Collection Project Contract; and an amendment to the 2004 Comprehensive Garbage, Recyclables, Yard Debris, and Organic Waste Collection Agreement to change the effective date.
 - (g) Resolution No. 6943 authorizing execution of a Purchase and Sale Agreement with Ada L. Thurgood, Trustee of the Ada L. Thurgood Trust, dated June 26, 1998, as well as authorization to complete the City's purchase of real property located at 100 – 155th Avenue SE in the amount of \$323,000.
 - (h) Ordinance No. 5500 authorizing execution of an Agreement with Seattle-King County Department of Public Health to accept grant reimbursement funds to implement hazardous waste prevention and education programs in accordance

with the Local Hazardous Waste Management Plan (LHWMP); establishing a project within the Operating Grants and Donation Fund by appropriating unanticipated and future revenues to that fund; and appropriating unanticipated revenues to the Solid Waste Fund and authorizing expenditures from said fund.

- (j) Resolution No. 6946 authorizing execution of a Settlement Agreement and all other necessary documents to implement settlement of employment claims made by Michael Hetle against the City.

Items for Council Discussion:

- (i) New City Building

- (1) Resolution No. 6938 authorizing execution of a contract with McKinstry, Inc. for maintenance and operations services at the New City Building.

Deputy Mayor Degginger recalled his previously voiced concerns and questions regarding the proposal to hire an independent contractor to operate the new City Building until redevelopment construction is initiated. He noted the lack of response to Council's questions in tonight's meeting packet. He questioned the need to pay a contractor to maintain systems that will largely be replaced during redevelopment. Mr. Degginger further questioned the need to hire an outside party to pay the utility bill generated by the City for the new City building. He suggested City staff should oversee the building and become familiar with its systems and maintenance issues.

Mr. Sarkozy introduced Steve Sackenreuter, Facilities Manager, and Frank Pinney, Facilities Planning and Development Manager, to respond to Council's questions.

Mr. Sackenreuter explained that a number of the systems, including fire and life safety systems and some of the chillers, will remain in the building. Some components of the HVAC system will be retained and/or rebuilt as well. In reference to the utility bills, Mr. Sackenreuter said the proposed contract holds the vendor accountable for managing electrical and other systems. The vendor will pay the utility bills at a fixed cost of \$18,000 per month to the City, regardless of actual usage. If actual usage falls below that amount, the City will benefit through an incentive and a sharing plan.

Responding to Mr. Degginger, Mr. Sackenreuter said the City currently contracts for approximately 60 percent of facilities-related services on existing buildings. In response to Mayor Marshall, Mr. Sackenreuter indicated that a document outlining Council's questions and staff's responses should have been included in tonight's desk packet.

Mr. Lee suggested deferring action on Resolution No. 6938 until staff can provide more information to Council.

Responding to Mayor Marshall, Mr. Sarkozy said the item will be added to the agenda of the December 15 Special Meeting or the January 5, 2004, meeting.

Deputy Mayor Degginger stated the following concerns: 1) the RFP process for this contract has not been satisfactorily explained, 2) this was not an appropriate issue for the Consent Calendar, 3) every item of the New City Building redevelopment project will be carefully analyzed, and staff will be held accountable for justifying the cost of every item.

- (2) Resolution No. 6939 authorizing execution of a contract with RLF Enterprises Ltd to provide technology design support, technology systems project management and administration, and support for City staff with development of the technology systems for the New City Building.
- (3) Resolution No. 6944 authorizing execution of a contract with ADCOMM Engineering to provide design and relocation services in support of the Communications Center relocation into the New City Building.
- (4) Resolution No. 6945 authorizing execution of a contract with McClaren Wilson & Lawrie, Inc., to provide design services related to the Public Safety functions of the New City Building.

➡ Deputy Mayor Degginger moved to approve Resolution No. 6939, Resolution No. 6944, and Resolution No. 6945. Mr. Mosher seconded the motion.

➡ The motion to approve Resolution No. 6939, Resolution No. 6944, and Resolution No. 6945 carried by a vote of 7-0.

➡ At 9:58 p.m., Mr. Degginger moved to extend the meeting to 10:30 p.m., and Mr. Lee seconded the motion.

➡ The motion to extend the meeting to 10:30 p.m. carried by a vote of 6-1, with Mr. Creighton dissenting.

9. Public Hearings: None.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) 2003-2004 Mid-Biennium Budget Adjustments
(Discussed with Council on November 10 and December 1, 2003. Required Public Hearing was held on November 17, 2003.)

Mr. Sarkozy requested Council approval of the mid-biennium budget update, which contains no new FTE (full-time equivalent) positions, no new programs, and no increase in property taxes.

- (1) Ordinance No. 5501 to amend Ordinance No. 4364 to adjust fees for collection-related activities, implement new fees for delinquent notices and for producing final utility bills, and to authorize administrative

adjustment of these fees in the future to reflect the costs of providing service.

☛ Deputy Mayor Degginger moved to adopt Ordinance No. 5501, and Mr. Mosher seconded the motion.

☛ The motion to adopt Ordinance No. 5501 carried by a vote of 7-0.

- (2) Ordinance No. 5502 regarding development services under the Bellevue City Code; fees for applications requiring construction, land use, fire, survey, sign, transportation, utility, and clearing and grading review and inspection services; repealing Ordinance Nos. 5116, 5185, 5186, 5262, and 5341.

Land Use Director Carol Helland noted Council's previous request for staff to present alternative approaches for dealing with development services fees associated with staff time spent on administrative appeals. She referenced the management brief beginning on page 11-10 of the Council packet outlining the following alternatives:

1. Current practice – Charge applicant for time expended by development review staff in responding to appeals and in staffing appeals.
2. Alternative A – Allocate total development services cost of appeals to the General Fund in all cases.
3. Alternative B – Allocate total development services cost of appeals to the General Fund when the applicant appeals the City's decision.
4. Alternative C – Allocate total development services cost of appeals to the General Fund when the applicant prevails on appeal.

Ms. Helland said there have been 24 appeals over the past five years, four of which were applicant appeals. Of the 24 appeals, the Director's decision was upheld in all but three cases.

Ms. Helland said the cost of appeals would be allocated to the General Fund under Alternative A. The average cost of an appeal is roughly equivalent to 40 hours of staff time, or \$3,300. The total allocation to the General Fund would be \$10,000 to \$20,000 annually. Alternative B reflects an annual allocation of approximately \$4,000 to the General Fund based on the number of past applicant appeals. Alternative C would have a similar impact on the General Fund as Alternative A.

Mr. Lee expressed support for Alternative C, which he feels is the most fair approach.

Dr. Davidson favors Alternative A because he feels financial responsibility for appeals should be borne by the City.

Mayor Marshall explained that regulatory reform in the mid-1990s has resulted in better collaboration between applicants and the City and fewer appeals. Eliminating fees could eliminate the incentive to work cooperatively and therefore lead to more appeals.

Responding to Mr. Degginger, Ms. Helland said most cities charge an appeal filing fee. She was unsure about charges at the end of the appeal process for most cities but noted that Seattle charges fees for all of its appeals.

- ➡ Dr. Davidson moved to approve Alternative A, and Mr. Mosher seconded the motion.

Deputy Mayor Degginger asked which alternative captures the situation in which the applicant files an appeal and prevails in the appeal. Ms. Helland said that would be a combination of Alternatives B and C. She opined this would likely be the best approach in light of the issues described by Mayor Marshall.

- ➡ As a substitute motion, Deputy Mayor Degginger moved to approve a combination of Alternatives B and C. Mr. Lee seconded the motion.

Following additional questions of clarification and uncertainty about the specific language of the amended ordinance, Deputy Mayor Degginger withdrew his substitute motion. Dr. Davidson withdrew his main motion.

Council agreed to postpone action on this matter. Mayor Marshall asked staff to return with all alternatives, adding Alternative D as directed by Council's discussion.

- (3) Ordinance No. 5503 establishing the amount of property tax to be levied for the year 2004, the second year of the City of Bellevue's 2003-2004 fiscal biennium.

Mayor Marshall noted the amended version of Ordinance No. 5503 in Council's desk packet and presented for Council approval.

- ➡ Deputy Mayor Degginger moved to adopt Ordinance No. 5503, as amended in the version in Council's desk packet. Mr. Mosher seconded the motion.

- ➡ The motion to adopt Ordinance No. 5503 carried by a vote of 7-0.

- (4) Ordinance No. 5504 relating to the mid-biennium review and modification of the 2003-2004 biennial budget as required by RCW 35A.34.130 and Ordinance No. 4872; adopting certain modifications to the 2003-2004 biennial budget; and establishing an effective date.

- ➡ Mr. Mosher moved to adopt Ordinance No. 5504, and Mr. Degginger seconded the motion.

- ➡ The motion to adopt Ordinance No. 5504 carried by a vote of 7-0.

- (b) Ordinance No. 5505 increasing the school impact fee applicable to single-family dwelling units and reducing the school impact fee applicable to multifamily

dwelling units for Issaquah School District No. 411; amending Sections 22.18.100 of the Bellevue City Code; and establishing an effective date.

- ➡ Mr. Degginger moved to adopt Ordinance No. 5505, and Mr. Noble seconded the motion.

Dr. Davidson will vote against the motion, in part because he is opposed to school impact fees but also because the fees have continued to increase. He questioned whether Bellevue residents are receiving an appropriate benefit for the fees.

- ➡ At 10:26 p.m., Mr. Degginger moved to extend the meeting to 11:00 p.m. Mr. Lee seconded the motion.
- ➡ The motion to extend the meeting to 11:00 p.m. carried by a vote of 5-2, with Mr. Creighton and Mr. Mosher dissenting.

Mr. Lee is uncomfortable with the proposal and would like to pursue alternatives to school impact fees.

Mr. Mosher expressed support for the motion.

Mr. Creighton shares Dr. Davidson's concerns about impact fees. While he supports education funding, he feels the Issaquah School District has not followed through with previous commitments regarding impact fees.

Mr. Noble supports the motion, as does Mayor Marshall.

- ➡ The motion to adopt Ordinance No. 5505 carried by a vote of 4-3, with Mr. Creighton, Dr. Davidson, and Mr. Lee dissenting.
 - (c) Ordinance No. 5506, Revisions to the Water, Sewer and Storm and Surface Water Utility Codes as recommended by the Environmental Services Commission.
(Discussed with Council on December 1, 2003.)
- ➡ Mr. Noble moved to adopt Ordinance No. 5506, and Mr. Mosher seconded the motion.
- ➡ The motion to adopt Ordinance No. 5506 carried by a vote of 7-0.
 - (d) Resolution No. 6947 authorizing relinquishment of contract rights with Seattle Public Utilities under Bellevue's current Water Purveyor Contract and accepting contingent liability for payment should the Cascade Water Alliance default on water supply payments to Seattle. *[Discussed in this evening's Study Session, Item 2(a)]*
- ➡ Deputy Mayor Degginger moved to approve Resolution No. 6947, and Mr. Mosher seconded the motion.

- ☛ The motion to approve Resolution No. 6947 carried by a vote of 7-0.

Mayor Marshall congratulated Deputy Mayor Degginger and Councilmembers Davidson and Mosher for their work on this issue during the past several years.

Mr. Sarkozy commended Utilities Director Lloyd Warren for his hard work.

12. Unfinished Business: None.

13. Continued Oral Communications

Arlene Darby thanked Councilmembers, Board and Commission members, and staff for their hard work throughout the year. She noted that Mrs. Marshall has been nominated to serve on the Sound Transit Board.

14. New Business

Mr. Noble noted issues and concerns raised during Oral Communications by Killarney Circle residents about T-Mobile's application for a cell tower. Land Use Director Carol Helland said no decision will be made on the application until all questions have been answered. An informational bulletin will be sent to the residents.

Mayor Marshall summarized Council's interest to be kept informed about this issue. Ms. Helland said Councilmembers will be copied on the response to residents who spoke during Oral Communications.

15. Executive Session: None.

16. Adjournment

At 10:44 p.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich
City Clerk

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